

KUMISION INANGOKKON TANO' CHAMORRO (CHAMORRO LAND TRUST COMMISSION)

A Report to the Citizens of Guam Fiscal Year 2011



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Our Mission

“The Chamorro Land Trust Act was intended to advance the well-being of the Chamorro people by way of equitable land distribution and CLTC was created to carry out this mission.”

- The mission of the Chamorro Land Trust Commission is to act exclusively in the interest of beneficiaries under the Chamorro Land Trust Act.
- To hold and protect trust property for its beneficiaries.
- To maintain and uphold their fiduciary responsibilities to the beneficiaries of the trust.
- To exercise due to care and diligence in the management of Chamorro homelands.

Our Initiatives

- To pursue positive public service for the beneficiaries of the trust on a daily basis addressing all issues and concerns.
- To initiate an MOU/MOA with the Guam Economic Development Authority to assist in the FISCAL management of CLTC commercial program and to resolve past due delinquencies.
- To continue reviewing and updating the residential, agricultural and commercial files management system and migrate to an electronic file management system.
- To work closely with Department of Revenue and Taxation to insure everyone without tax exemption are identified for real property taxes.
- To retain a Real Property Attorney to register all unregistered Chamorro Homelands and develop a Master plan to service the CLTC programs and it's beneficiaries.
- To improve and develop our internal process to issue residential leases and agricultural leases
- To expedite sketch prints and survey maps for approval and acceptance by lease and licensee.
- To develop, maintain and sustain past, present and future developments into meaningful and integrated direction for the protection and enhancement of the quality of life on Guam.

The Chamorro Land Trust Act was enacted in February 1975 to protect and ensure trust lands are awarded to protect and awarded to native Chamorro through residential, agricultural and commercial leases for one dollar (\$1.00) a year, for 99 years. The mission is to act in the interest of beneficiaries and protect trust properties, maintain and uphold fiduciary responsibilities for the beneficiaries, and exercise due diligence in the management of Chamorro homelands.

COMMERCIAL LICENSES and AGRICULTURE AND RESIDENTIAL LEASES

Management has taken an initiative to resolve past due delinquencies. Notices have been sent to all commercial accounts who have violated sections and provisions as annotated in the license or lease. The Trust has awarded approximately 2,530.23 acres of its land inventory, to 1,167 Agricultural applicants and approximately 707.31 acres, to 1,757 Residential applicants and 705 acres, under Commercial Licenses.

We anticipate the transfer of 7,492 Acres of land under the Land Registration process. Once the properties are decreed, it will enable the trust to identify the proper uses of these properties and commence the distribution to qualified applicants. While the issuance of residential leases accounted for the larger amount of awarded property, it is the mission of the Trust to continue to support the Governors initiative in providing the Chamorro people with realizing the dream of home ownership.

The Chamorro Land Trust Commission has finalized a Memorandum of Understanding establishing partnership with the U.S. Department of Agriculture to provide financing for the construction of homes on CLTC properties. There is currently about \$2-million dollars available to loan to CLTC lease holders, with a possibility of providing more funding upon need. The loans will be backed by the Chamorro Loan Guarantee Fund.

Wherein, Public Law 31-76, authorizes the assessment of taxes on all CLTC properties with the tax proceeds be deposited

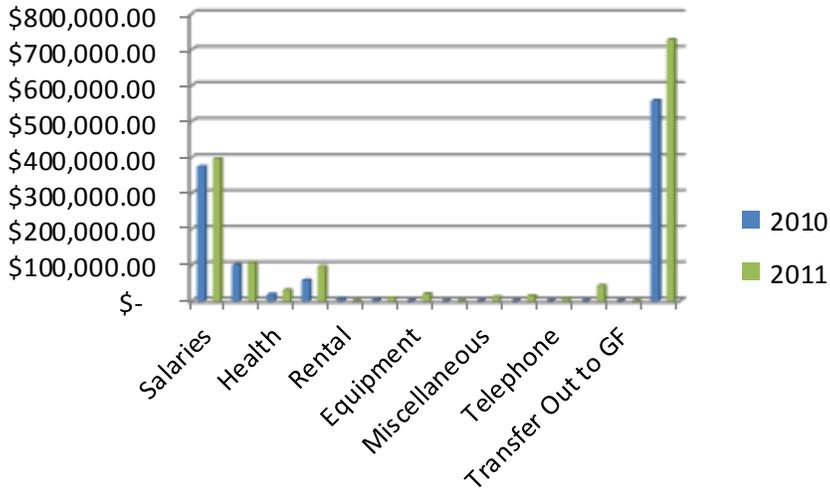
into the Chamorro Loan Guarantee Fund. The MOU will provide home loans from \$59,000 up to \$238,000 to help qualified applicants build homes on their CLTC property, which is 100 percent financed. To date, there have been several applicants that have secured financing through this process.

BY-PASSED APPLICANTS

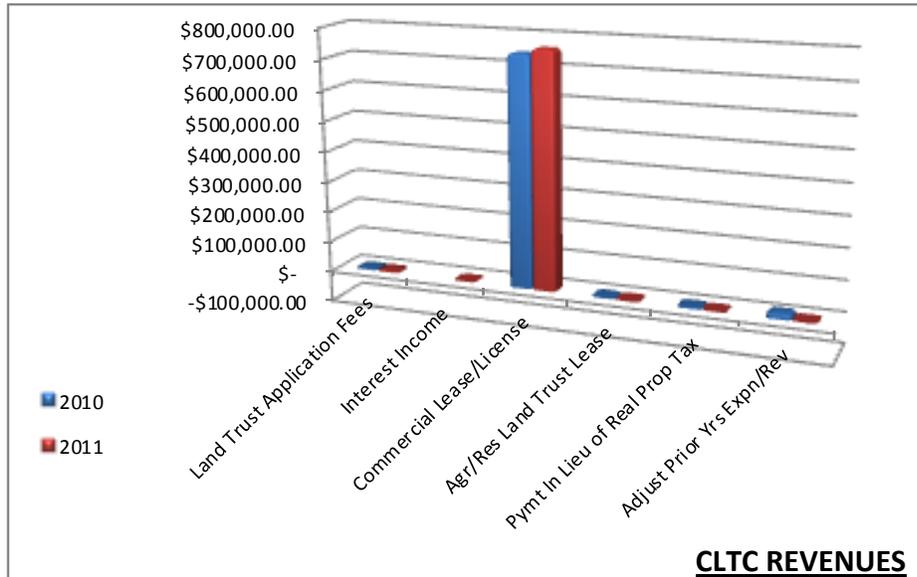
It is noted that there are thousands of applicants that still await the issuance of an agricultural, residential or commercial lease. CLTC is currently entertaining the 1995 Applicants who have not been processed for Land Lease. For those who have paid their processing fee of fifty dollars (\$50.00), that fee is still applicable. These applicants are on the top of CLTC's list of Land Leases. From the 1995 Listing, there are about 3,976 Applicants between December 2nd and 31st of 1995. CLTC is currently updating records, notifying clients, identifying properties in the Northern, Central, and Southern parts of Guam, and meeting with the clients on a daily basis. We are requesting those Applicants to please come into our office to update your profiles. For those seeking further information, we are located on the 3rd floor of the ITC Building, West Wing Side. Please contact our office at 649-5263 ext. 651. Applicants are still welcome to come in and apply, however, CLTC is prioritizing the 1995 applicants and then those who have applied by time and date.

| LOAN GUARANTY'S ISSUED AND COMMERCIAL LEASES | | |
|--|--------|--------|
| | FY2010 | FY2011 |
| Applications submitted | 90 | 56 |
| Leases issued | 0 | 40 |
| Loan Guaranty issued | 0 | 1 |
| Commercial licenses issued | 0 | 0 |

DLM EXPENDITURES & ENCUMBRANCES



| Expenditures & Encumbrances | | |
|-----------------------------|----------------------|----------------------|
| | 2010 | 2011 |
| Salaries | \$ 374,726.80 | \$ 395,649.96 |
| Benefits | \$ 99,627.94 | \$ 106,007.08 |
| Health | \$ 18,205.88 | \$ 30,062.72 |
| Contractual | \$ 57,941.64 | \$ 96,080.21 |
| Rental | \$ 4,495.00 | \$ - |
| Supplies | \$ 3,207.96 | \$ 8,265.83 |
| Equipment | \$ - | \$ 19,321.00 |
| Drug Testing | \$ - | \$ 75.00 |
| Miscellaneous | \$ - | \$ 10,236.85 |
| Power | \$ - | \$ 14,500.00 |
| Telephone | \$ - | \$ 5,547.04 |
| Capital | \$ - | \$ 41,968.00 |
| Transfer Out to | \$ - | \$ - |
| TOTAL | \$ 558,205.22 | \$ 727,713.69 |



CLTC REVENUES

| Revenues | 2010 | 2011 |
|-------------------------------|----------------------|----------------------|
| Land Trust Application Fees | \$ 4,450.00 | \$ 2,800.00 |
| Interest Income | | \$ 4.20 |
| Commercial Lease/License | \$ 747,397.98 | \$ 765,616.46 |
| Agr/Res Land Trust Lease | \$ 3,000.00 | -\$ 1,091.00 |
| Pymt In Lieu of Real Prop Tax | \$ 4,400.00 | \$ - |
| Adjust Prior Yrs Expn/Rev | \$ 17,642.82 | \$ - |
| GRAND TOTAL COLLECTED | \$ 776,890.80 | \$ 767,329.66 |

Future Challenges

The Commission continues its efforts to collect on lease rentals and real estate taxes due on all trust lands under license and lease, which the Trust relies on for financial support to sustain operations. Chamorro Land Trust Commission has submitted its proposed amendments to the existing statute and the Paul Bordallo Rules and Regulations to the Legislature but received overwhelming opposition by the public.

The Chamorro Land Trust Commission will be working collaboratively with the Commissioners and Legal Counsel to assist with the suggestions and revisions to the proposed amendments recommended at the public hearing on the existing statutes.

CLTC has met with representatives from the U.S. Department of Agriculture to assist in providing funding under the Substantially Underserved Trust Area (SUTA) for infrastructure (power, water, sewer and telephone services) to underserved trust lands, which will benefit the overall development of these CLTC lands, in turn would enable the people of Guam to finally build. Upon approval, works will begin in Yigo so we can do its part to protect the northern aquifer from further contamination. The funding will be in the form of a low interest loan at a rate of just 2%. CLTC, not the lease holder, will be the borrower, and the loan will be paid back by CLTC using funds collected from the CLTC's Commercial License fees.

Chamorro Land Trust still faces significant challenges in meeting its statutory mandates, but with the upcoming merge with Department of Land Management, the required skills and expertise to fulfill the development of a land use plan outlining properties for agricultural, residential and commercial use.

Today, we have ten (10) employees possibly to be increased but really foresee a reduction in to eight (8) employees. CLTC intends to continue to fulfill its operations and pursue other manpower sources such as several limited term appointments, coordination with the Agency for Human Resources (AHRD) which provides trainees through the Summer Youth Programs (Passport to Career) and the Work Experience Program (WIA).



We Want to Hear from You

Did you find this report informative? Do you think we need more information added? If yes, please contact our office at 649-5263 ext. 651 or email us at cltc.staff@dml.guam.gov. Complete budgetary reports can be found on our website www.dml.guam.gov